

MINUTES

VIRGINIA SMALL BUSINESS FINANCING AUTHORITY BOARD OF DIRECTORS - LOAN BUSINESS MEETING

November 25, 2003 – 11:00 A.M.

**8th & Main Building, 3rd Floor Conference Room
Richmond, Virginia**

- I. Voting members present: Andy Brownstein, Bob Young (for The Honorable Jody Wagner), Jim Cheng, Esther Corpus, Hattie Hamlin, and Leon Moore.
Others present: Chuck Mills, Mike Eisenman, Stephanie Hamlett, Scott Parsons, Patty Thorne, Barbara Carter, Mark Heede, Anna Mackley Cobb, Brett Sheffield, Mitzi Hesser, and Patricia Morris.

Vice Chairman Larry Roach called the meeting to order. Scott Parsons introduced to the Board members Mitzi Hesser, a new employee in the Financial Services division at the Department of Business Assistance, and Stephanie Hamlett, representing the Attorney General's office.

- II. Approval of Minutes - On a motion by Leon Moore, seconded by Bob Young, the minutes of the November 25, 2003 Board of Directors Meeting were unanimously approved. (Andy Brownstein and Esther Corpus were not present for the vote.)

III. Industrial Development Bond Project

- A. BSL, LLC - Frederick County - \$3,000,000. Anna Mackley Cobb reviewed for the Board this application for IDBs to refund a 1999 VSBFA IDB issue and to finance the construction of an expansion to an existing facility.

IV. **PUBLIC HEARING**

- A. BSL, LLC - Frederick County - \$3,000,000 IDB. On a motion by Bob Young, seconded by Leon Moore, the Board of Directors unanimously adopted an inducement resolution authorizing the issuance of industrial development revenue bonds to finance a manufacturing facility expansion. (Andy Brownstein and Esther Corpus were not present for the vote.)

V. Economic Development Loan Fund Projects

- A. Crossroads Regional Industrial Facility Authority (CRIFA) - Wytheville - \$500,000. Mark Heede presented this application to the Board. On a motion by Leon Moore, seconded by Larry Roach, the Board of Directors unanimously approved a \$280,000 1-year commitment increase to an existing line of credit under the Economic Development Loan Fund to purchase real estate. This increase will bring the credit available under the line back to \$500,000. (Esther Corpus was not present for the vote.)
- B. Debt Settlement – Spectrum Recycling Technologies, Inc. - Mark Heede reviewed for the Board background information on the debt owed by Spectrum and presented the offer to settle the debt. On a motion by Bob Young, seconded by Jim Cheng, the Board of Directors unanimously approved to accept the settlement offer as presented.
- C. Somerset Group LLC t/a The Lodge at Somerset Farm - Orange County - \$1,000,000. Anna Mackley Cobb reviewed this project for the Board. On a motion by Larry Roach, seconded by Leon Moore, the Board of Directors unanimously declined this request.

VI. Board Review and Ratification of Loans Approved and Declined by Staff - On a motion by Leon Moore, seconded by Jim Cheng, the loan decisions of \$500,000 or less approved and declined by staff for October 2003 were unanimously ratified.

VII. Report to the Board on Loan Volume and Fiscal Year Status - Scott Parsons reviewed the monthly loan activity report for Fiscal Year to Date July 2004 which shows the status of the VSBFA loan portfolio. The Board then discussed at length ideas and suggestions to search for or raise additional funding for the Authority.

VIII. Adjourn - On a motion by Bob Young, seconded by Larry Roach, the meeting was adjourned.